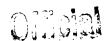
DIGEO INC

PAGE 07/17

James B. Nichols 09/848,118 Page 1





IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re application of:

James B. Nichols

Application No.: 09/848,118

Filed: May 2, 2001

For: APPARATUS AND METHOD FOR COMPRESSING VIDEO

Examiner:

Y. Young Lee

Art Unit:

2613

RESPONSE TO

RESTRICTION REQUIREMENT

Commissioner for Patents P.O. Box 1450 Alexandria, VA 22313-1450

Sir:

In response to the Office Action/Restriction Requirement mailed March 18,

2003, Applicant hereby elects Species III (Figure 5) with traverse.